CITY OF MARIETTA BOARD OF LIGHTS AND WATER CUSTOMER SERVICE DEPARTMENT

POLICY NUMBER: 3.5.1

POLICY TITLE: DISTRIBUTED GENERATION

PAGE: 1 of 2

EFFECTIVE DATE: September 8, 2008

SUPERSEDES: New

APPLICABILITY:

Applicable to customers desiring to sell electrical energy to Marietta Power produced by a distributed generation facility, which must be eligible for participation subject to the terms and provisions of The Georgia Cogeneration and Distributed Generation Act of 2001 or successor legislation.

A distributed generation facility must:

- 1. Be owned and operated by a customer of Marietta Power for production of electric energy, and
- 2. Be located on the Customer's premises, and
- Be connected to and operate in parallel with Marietta Power's distribution facilities, and
- 4. Be intended primarily to offset part or all of the Customer's generator's requirement for electricity, and
- 5. Have peak generating capacity of not more than 10 kW for residential applications and not more than 100 kW for commercial applications
- 6. Use solar photovoltaic system, fuel cell, or wind generation

METERING COST:

Marietta Power will install single directional metering or bi-directional metering depending on the customer's method of installation. All installed costs for metering and associated equipment will be paid by the customer at the time service is initiated under this policy.

Bi-directional metering is defined as measuring the amount of electricity supplied by Marietta Power and the amount fed back to Marietta Power by the customer's distributed generation facility during the billing period using the same meter. Bi-directional metering shall be used where distributed generation facilities are connected to Marietta Power on the customer's side of the customer's meter.

Single directional metering shall be defined as measuring electricity produced or consumed during the billing period, in accordance with normal metering practices. Single directional metering shall be used where distributed generation facilities are connected to Marietta Power's distribution system on Marietta Power's side of the customer's meter.

PAYMENT FOR ENERGY:

Bi-directional metering

- 1. When electricity supplied by Marietta Power exceeds electricity generated by the customer's distributed generation, the electricity shall be billed by Marietta Power in accordance with the tariff.
- 2. When electricity generated by the customer's distributed generation system exceeds electricity supplied by Marietta Power, the customer shall be billed for appropriate customer charges for that billing period and credited for excess kWh generated during the billing period at avoided energy cost, with this kWh credit appearing on the bill for the billing period.

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Single directional metering

- 1. Marietta Power shall measure electricity produced or consumed during the billing period.
- 2. When electricity is generated by the customer for the billing period, the customer shall be compensated at avoided energy costs. Marietta Power will only make payments based on metered energy delivered to Marietta Power's distribution system.
- The amount billed to or credited to the customer will be the net of the charge to the customer's regular service (according to the tariff with actual read energy) less the metered generated energy times the avoided energy cost.

Marietta Power will only be required to purchase energy from eligible distributed generation facilities on a first-come, first-served basis until the cumulative generating capacity of all renewable energy sources from all customers equals 0.2% of Marietta Power's annual peak demand in the previous year. Additional energy may be purchased by Marietta Power at a cost agreed to by it and the customer-provider.

In the event the customer develops a credit balance during a billing period, the account will be cleared by the issuance of a check for the credit balance to the customer.

AVOIDED ENERGY COST: \$.054 per kWh

SAFETY, POWER QUALITY, AND INTERCONNECTION REQUIREMENTS:

The customer shall be responsible for ensuring a safe and reliable interconnection with Marietta Power and all costs incurred therein. Marietta Power has available, upon request, the following documents that must be completed and approved in their entirety prior to interconnection by the customer to Marietta Power's distribution system.

- 1. Application for Interconnection of Distributed Generation Facility
- 2. Interconnection Agreement
- 3. Electrical Power Exchange Agreement